

PSJ3
Exhibit 495

Message

From: Kaufmann, Mike [Mike.Kaufmann@cardinalhealth.com]
Sent: 5/31/2012 2:28:46 PM
To: Morford, Craig [craig.morford@cardinalhealth.com]; Falk, Steve [Steve.Falk@cardinalhealth.com]; Quintero, Gilberto [gilberto.quintero@cardinalhealth.com]; Woodburn, Connie [Connie.Woodburn@cardinalhealth.com]
Subject: FW: Cardinal Health News Alert - Fla Situation and Other Pharma Article of Interest

FYI

From: Steve Anderson [mailto:SAnderson@NACDS.org]
Sent: Thursday, May 31, 2012 10:05 AM
To: Kaufmann, Mike
Subject: RE: Cardinal Health News Alert - Fla Situation and Other Pharma Article of Interest

—CONFIDENTIAL—

Mike:

Thanks for your email. I hope you will be participating on the NACDS Executive Committee conference call on Thursday, June 7, when this issue will be a main agenda item.

Since our April Board meeting, a Task Force of NACDS Policy Council members has been meeting to discuss issues and develop strategies to address ongoing issues that NACDS members are having with DEA enforcement actions. A draft plan for combating prescription drug diversion and abuse will be reviewed by the NACDS Policy Council on Friday and will be presented to the NACDS Executive Committee next Thursday. The goal of the plan is to raise the level of engagement and interaction among the industry, policymakers, regulators, and law enforcement to address the growing issues of prescription drug diversion and abuse in a manner that also protects patient access to medications.

I like the approach you are suggesting. As you know, I think that NACDS needs to be proactive and not reactive. I always want us to be “for” something, rather than “against” something—when we can.

Supporting CII e-prescribing legislation would allow NACDS and the industry to be viewed as part of the solution, and not part of the problem. Support of legislation, as you indicate, would open the door to significant conversations with the White House, DEA, Members of Congress, HHS, patient and professional groups, state officials, and the media. An added benefit of such an approach could be that the federal officials might find ways to influence the states. We would be joining other stakeholders in calling for an electronic system, as *The Wall Street Journal* article illustrates. Although we could take a leadership role at the federal level, prescribing is regulated at the state level so there needs to be a comprehensive strategy.

It has taken ten years to get DEA to permit e-prescribing for controlled substances. Since DEA permitted it in 2010, NACDS has been working at the state level for permission to e-prescribe for controlled substances. Twenty-nine states now permit it, 13 states prohibit it, and 8 states permit e-prescribing for the schedules, except CII. HHS has programs in place to incentivize doctors to use e-prescribing, known as meaningful use programs, for HIT, but they don't incentivize controlled substances because the states do not permit it in all cases. Doctors are moving towards e-prescribing, but I understand there has been push-back to the meaningful use program at HHS from the medical community. Part of the plan we are going to discuss on Thursday's Executive Committee conference call includes outreach to the medical community to see what it might be willing to do. As you know, however, they have been terribly slow to evolve on these issues.

Just a few thoughts from NACDS as we move forward. I look forward to talking with you next Thursday. In the meantime, I gladly welcome your thoughts.

Very best,

Steve

Steven C. Anderson, IOM, CAE

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From: Kaufmann, Mike [mailto:Mike.Kaufmann@cardinalhealth.com]

Sent: Wednesday, May 30, 2012 3:51 PM

To: Steve Anderson

Subject: FW: Cardinal Health News Alert - Fla Situation and Other Pharma Article of Interest

Steve – hope you are well should we somehow capitalize upon the comments in this (especially the last line) and push our initiative more aggressively? I still think we should come out with a position something like “we support legislation that requires all doctors to submit C2s electronically and all pharmacies to receive electronically by June 30 of 2013. We believe by having all of this data at one source, we can electronically message both the pharmacies and doctors, both who want to see the reduction of Rx drug abuse in the US, things such as a patient trying to get a second Oxy script filled when they already have had one filled by another pharmacy, etc. This will be simple, effective and efficient to the healthcare supply chain”

Obviously, I am not a writer but just wanted to give you my thoughts and see where we are.

Report Faults Doctors

The Wall Street Journal

Will James

May 24, 2012

<http://online.wsj.com/article/SB10001424052702304707604577424644089095720.html>

Revealing the results of a special grand jury investigation, Suffolk County District Attorney Thomas Spota on Thursday blamed physicians and pharmacists for an epidemic of prescription-drug addiction in the past decade.

The grand jury – empaneled last year after the fatal shooting of four people during a drugstore robbery – determined that doctors are overprescribing powerful painkillers such as oxycodone and hydrocodone, Mr.Spota said. He said the grand jury has indicted 26 people connected with the prescription drug trade in Suffolk, though their identities and crimes haven't yet been made public.

"The conclusion is that the genesis of the current prescription pill and heroin epidemic lies squarely at the feet of the medical establishment," Mr. Spota said at a news conference here.

Doctors have been implicated in the nation's mounting prescription drug abuse problem before. This month, Mayor Michael Bloomberg's office revealed that about 1% of the city's doctors were responsible for 31% of the painkiller prescriptions.

But the Suffolk grand-jury report is the first salvo from authorities to directly challenge the motives and competence of health-care professionals and drug makers.

A small percentage of doctors and pharmacists knowingly sell the drugs illegally to addicts, Mr. Spota said. But the larger problem is that many health-care professionals are simply unaware of their dangers, as drug manufacturers market the substances as safe, Mr. Spota said.

Some physicians and pharmacists often dole out a month's supply when a few days' worth would be enough, Mr. Spota said. Patients or their family members can then become addicted, and sometimes move on to heroin, he said.

Dr. Frank Dowling, a Suffolk psychiatrist who is commissioner of public health and science for the Medical Society of the State of New York, said prescription drug abuse is a "societal problem." Over-prescription, he said, is only one piece.

"To blame this issue entirely on physicians is absolutely incorrect and unfair and unrealistic," he said.

The Pharmaceutical Research and Manufacturers of America said in a statement that it supports programs to reduce painkiller abuse and policy changes "to strengthen law enforcement penalties for prescription drug diversion so that medicines don't reach the wrong people."

The Pharmacists Society of the State of New York didn't return calls Thursday.

The report represents perhaps the most comprehensive effort yet to quantify a problem that has largely been marked with tragic anecdotes and scattered statistics such as spikes in admissions to drug treatment centers, reports of drugged driving accidents and pharmacy robberies like the one in Medford. The shooter in that case, David Laffer, was attempting to get pills for his addicted wife. He pleaded guilty to first-degree murder and is serving a life sentence.

Between 2001 and 2011, the percentage of drug-sale arrests related to prescription pills in Suffolk increased to 17.4% from 1.5%, according to the report. Likewise, driving while intoxicated incidents linked to prescription drugs rose to 48% last year, up from 15% in 2001.

"It's a validation of what we've been seeing for a long time," said Jeffrey Reynolds, the executive director of the Long Island Council of Alcoholism and Drug Dependence. "It's the first time that there's been an official definition that Long Island is in the midst of a crisis. We will look back at this time and say, 'How did we make it through?' because we've never seen anything like this."

Mr. Spota said the rise in painkiller abuse in Suffolk corresponded with a shift in thinking among doctors, who once prescribed powerful opiates like oxycodone and hydrocodone only to ease pain at the end of a patient's life.

More recently, physicians have begun using them to treat pain from sprains to root canals, Mr. Spota said.

The grand jury made a series of recommendations, including a call for all controlled substances to be electronically prescribed, forcing doctors to enter prescriptions into an existing but sparsely used state database. The recommendations will be sent to Long Island lawmakers.

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